



Instr: 201105040017148 05/04/2011  
P: 1 of 2 F: \$28.00  
Rick Campbell 1:14PM LEAS  
Stark County Recorder T20110013761

**NON-SURFACE DEVELOPMENT OIL & GAS LEASE**

THIS LEASE, made this 22<sup>ND</sup> day of MARCH, 2011, by and between  
GERALD E. SCHULZ (SINGLE DIVORCED UNREMARKED)  
10544 EDISON ST. N.E. ALLAN, OHIO 44601

hereinafter called Lessor, and **ENERVEST ENERGY INSTITUTIONAL FUND XI-A, L.P., ENERVEST ENERGY INSTITUTIONAL FUND XI-WI, L.P. and CGAS PROPERTIES L.P., of 300 Capitol Street Suite 200, Charleston WV 25301**, collectively hereinafter called Lessee, do agree:

1. Lessor, for and in consideration of One dollar (\$1.00) in hand paid by Lessee, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, grants to Lessee all the oil and gas in the lands described below, with the exclusive right to operate for, produce and market same from a well or wells on other lands; and the right to unitize Lessor's lands, or any portion, or strata, with other lands into a drilling unit of no more than six hundred forty acres. This Lease is for (5) Five years, and as long thereafter as operations are being conducted on any such unit or oil or gas can be produced in paying quantities in Lessee's judgment from any such unit. This lease covers all of Lessor's land in and adjoining Section/Lot 13 of MANBECO Township, STARK County, Ohio, containing 3.69 acres, more or less, and being known as:

Parcel ID #(s) 3100200

Being the property described in Deed Volume(s)/Page(s) INST # 19950216 0006066

2. Lessor shall be paid as royalties a proportional share of one-eighth (1/8) of "Proceeds Realized" by Lessee on all the oil and gas produced and marketed from each well drilled and unitized, as the amount of the Lessor's acreage in the unit bears to total acreage in the unit, the same to be paid by the end of the next month following Lessee's receipt of payment for same, less any tax imposed by any government body, including but not limited to the severance tax. "Proceeds Realized" shall mean the price received by Lessee for oil and gas marketed and sold at the delivery point less any charges for transportation, dehydration, compression and marketing paid by Lessee to deliver the oil and gas for sale.

3. No well shall be drilled on Lessor's property, nor shall Lessee enter upon or install any installation of any nature whatsoever on the leased property. The within Lease being granted for the purpose of permitting Lessee to unitize the leased property with other properties, which other properties shall bear all the burden of surface development. Lessor understands and gives consent that, due to slant or horizontal (directional) drilling originating from surface entry on a parcel not owned by Lessor, the wellbore may pass through or terminate below the surface of Lessor's property.

4. This Lease shall be binding on all heirs, successors and assigns of Lessor and Lessee. If Lessor owns less than the entire fee, Lessor shall be paid only his proportional share of any payment due. Lessee may at any time assign or surrender this Lease in whole or in part.

5. No change of ownership in the leased premises or in the rentals or royalties hereunder shall be binding on Lessee until after notice to the Lessee either by delivery of notice in writing duly signed by the parties to the instrument of conveyance or assignment and delivery of such original instrument or a duly certified copy thereof to the Lessee.

6. In the event Lessor considers Lessee has not complied with its expressed or implied obligations hereunder, Lessor shall notify Lessee in writing indicating specifically what Lessee allegedly has breached. Lessee shall have 30 days after receipt of said notice to meet or commence to meet any part of the breached alleged by Lessor. Lessor shall not bring any action against Lessee until after 30 days after service of such notice on Lessee.

7. Lessor hereby warrants and agrees to defend title to the land herein described and agrees that Lessee, at its option, may pay and discharge any taxes, mortgages, or other liens existing, levied or assessed on or against the said lands and, in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself for any payments due hereunder.

Instr: 201105040017148 05/04/2011  
P: 2 of 2 F: \$28.00 1:14PM LEAS  
Rick Campbell  
Stark County Recorder T20110013761

Signatures of Witnesses:

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

Signatures of Lessor(s):

Gerald E. Schulz  
(Printed Name) GERALD E. SCHULZ

\_\_\_\_\_  
(Printed Name)

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF OHIO )  
COUNTY OF STARK ) SS:

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of MARCH, 2011.

By GERALD E. SCHULZ

My Commission Expires: 10-17-2012

Notary Public Paul F. Meyers



PAUL F. MEYERS  
Notary Public  
for the State of Ohio  
My Commission Expires  
10/17/2012

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS:

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me, the undersigned officer(s), personally appeared \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_ known to me to be the person(s) and officer(s) whose name(s) is subscribed to the foregoing instrument, and acknowledged to me that the same was the free act and deed of said \_\_\_\_\_ and that he, she or they executed the same as an act of said Company for the purpose and consideration therein expressed, and in the capacity therein stated.

In witness whereof, I hereunto set my hand and official seal.

My Commission Expires:

Notary Public \_\_\_\_\_